

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF VIRGINIA**

**In re:** )  
MICHAEL W. DECKER ) Case No. 17-50297  
Debtor. ) Chapter 7  
 )

**MICHAEL W. DECKER'S ANSWERS TO  
CHAPTER 7 TRUSTEE'S FIRST INTERROGATORIES**

COMES NOW the Debtor, Michael W. Decker, by counsel, and for his  
Answers to the First Interrogatories propounded to him by the Chapter 7 Trustee  
states the following:

**GENERAL OBJECTION**

To the extent the Chapter 7 Trustee is seeking information that might be  
relevant to the complaint against discharge pursuant to 11 USC 727(a)(2)&(4), any  
such claim is resolved and is the subject of *res judicata* as the Trustee was a party  
defendant in Adversary Proceeding No. 17-05012, *Kilmer & Associates, CPA v.*  
*Michael W. W. Decker, et al* and that matter was resolved in favor of the Debtor  
by Order entered on April 3, 2018. Without waiving this objection, Answers have  
been provided hereinbelow.

1. Identify all persons who prepared or assisted in the preparation of  
the answers to these interrogatories and/or who provided information, facts and/or  
documents used in the preparation of the answers to these interrogatories and/or  
who has knowledge of the facts listed in each answer to these interrogatories, and

for each person identified, state the information, facts and/or document provided by such person and the basis of that person's knowledge.

**ANSWER:** Michael W. Decker. Mr. Decker has knowledge (1) of the value of Winchester Accounting & Consulting, Inc., a subchapter S corporation in which he is the sole shareholder and only accountant; (2) that Winchester Accounting & Consulting, Inc. by employing only one CPA does not have institutional goodwill and that the valuation of such a practice from an accounting and valuation standard would be based solely on its physical assets and accounts receivable; and (3) of the tax implications of the proposed sale of Winchester Accounting & Consulting, Inc.

2. Identify all persons whom you know or believe have knowledge or information regarding the business affairs of WAC for the period of January 1, 2017 to the present and describe each person's knowledge or information.

**ANSWER:** Objection. This Interrogatory is overly broad and unduly burdensome. Without waiving this objection, see Answer to Interrogatory No. 1 hereinabove.

3. Identify all persons whom you know or believe have knowledge or information regarding the business affairs of WALLC for the period of January 1, 2017 to the present and describe each person's knowledge or information.

**ANSWER:** Objection. In this instance, the purpose of discovery pursuant to Rule 2004 of the Bankruptcy Code is to conduct discovery regarding the value of the Debtor's bankruptcy estate. The Debtor is a certified public accountant who practiced with the S corporation known as Winchester Accounting and Consulting Inc. until August 21, 2017. Pursuant to 11 USC 541(a)(6), the Debtor's post-petition "earnings from services.....after the commencement of the case" are not part of the bankruptcy estate.

Mr. Decker has produced all requested information regarding Winchester Accounting and Consulting Inc. because the trustee is evaluating an offer to the sell capital stock of Winchester Accounting and Consulting Inc. Winchester Accounting, LLC was formed on August 21, 2017. Because post-petition income is not property of the bankruptcy estate, Mr. Decker has

objected to any discovery request directed principally to his post-petition income earned as an accountant, and specifically discovery directed to the business of Winchester Accounting, LLC. See Memorandum to Inform the Discretion of the Trustee dated December 7, 2017.

Without waiving this objection, see Answer to Interrogatory No. 1 hereinabove.

4. Identify all persons who were or are clients of WAC for the period of January 1, 2017 to the present and specify the nature and scope of work performed for each client by WAC and the fee arrangement for the work to be performed.

**ANSWER:** The identity of clients of WAC was previously disclosed in the documents produced as Decker 1408-1411. With the exception of one client, all clients are billed a fixed fee and as such no time records are kept. Accounting services range from bookkeeping, tax preparation and business consulting services depending on the nature and need of the client.

5. Identify all persons who were or are clients of WALLC for the period of January 1, 2017 to the present and specify the nature and scope of work performed for each client by WAC and the fee arrangement for the work to be performed.

**ANSWER: Objection.** In this instance, the purpose of discovery pursuant to Rule 2004 of the Bankruptcy Code is to conduct discovery regarding the value of the Debtor's bankruptcy estate. The Debtor is a certified public accountant who practiced with the S corporation known as Winchester Accounting and Consulting Inc. until August 21, 2017. Pursuant to 11 USC 541(a)(6), the Debtor's post-petition "earnings from services....after the commencement of the case" are not part of the bankruptcy estate.

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petition income is not property of the bankruptcy estate, Mr. Decker has objected to any discovery request directed principally to his post-petition income earned as an accountant, and specifically discovery directed to the business of Winchester Accounting, LLC. See Memorandum to Inform the Discretion of the Trustee dated December 7, 2017.

6. State the date on which WALLC commenced operating its business.

**ANSWER: August 21, 2017.**

7. State with specificity the assets, real and personal, tangible and intangible, that were owned by WAC on the date that WALLC commenced operating its business.

**ANSWER: See documents previously produced as Decker 1408-1411. See documents produced herewith as Decker 1965-2540.**

8. State with specificity the assets, real and personal, tangible and intangible, that WALLC owned on the date that WALLC commenced operating its business and specify which of the assets so stated were owned by WAC prior to the date that WALLC commenced operating its business.

**ANSWER: Objection.** In this instance, the purpose of discovery pursuant to Rule 2004 of the Bankruptcy Code is to conduct discovery regarding the value of the Debtor's bankruptcy estate. The Debtor is a certified public accountant who practiced with the S corporation known as Winchester Accounting and Consulting Inc. until August 21, 2017. Pursuant to 11 USC 541(a)(6), the Debtor's post-petition "earnings from services....after the commencement of the case" are not part of the bankruptcy estate.

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**business of Winchester Accounting, LLC. See Memorandum to Inform the Discretion of the Trustee dated December 7, 2017.**

9. State with specificity the nature and amount of consideration, tangible and intangible, if any, that WALLC paid or otherwise conveyed to WAC in exchange for the assets of WAC.

**ANSWER: None.**

10. Describe with specificity the business activities for which the Ford F 150 truck is used for the benefit of WAC from the date of the purchase of the vehicle until the date on which WAC ceased business, which description should include the date, amount of time, amount of mileage, and the purpose of the use of the vehicle.

**ANSWER: The vehicle provides me with the ability to meet with current and prospective clients off site. The nature of the business requires me to meet with the clients at their business location as many small business owners do not have the ability to leave their office during normal business hours. Furthermore, it is more productive to meet with a client in the location their records and data are generally stored. In addition, twice a week information is hand delivered to or picked up from certain clients. Clients have grown accustomed to and expect this level of service. This service would be impossible without transportation.**

**Mileage logs are not maintained but mileage can be approximated at 3,800.**

**WAC ceased providing services to clients on August 21, 2017, but continues to operate to collect receivables and to pay its obligations.**

11. Describe the means by which WALLC complied the requirements of sections 1.400.205 and 1400.210 of the AICPA Code of Professional Conduct

with regard to the transfer of confidential information of the clients of WAC to WALLC.

**ANSWER: Not applicable as the rule applies to a member who sells or transfers interest to a new firm and does not retain ownership in the old firm. I am still the owner of WAC and WALLC.**

12. Identify all employees of WAC during the period of January 1, 2017 to the present and for each employee, specify their job description and the date of the beginning of their employment with WAC and if any, the date of the ending of their employment with WAC.

**ANSWER: (1) Michael W. Decker, CPA – owner, certified public accountant, 01/30/2015 to 8/20/2017. (2) Brittany Young – administrative assistant, 11/01/2015 to 8/20/2017.**

13. Identify all employees of WALLC during the period of January 1, 2017 to the present and for each employee, specify their job description and the date of the beginning of their employment with WAC and if any, the date of the ending of their employment with WALLC.

**ANSWER: ANSWER: Objection. In this instance, the purpose of discovery pursuant to Rule 2004 of the Bankruptcy Code is to conduct discovery regarding the value of the Debtor's bankruptcy estate. The Debtor is a certified public accountant who practiced with the S corporation known as Winchester Accounting and Consulting Inc. until August 21, 2017. Pursuant to 11 USC 541(a)(6), the Debtor's post-petition "earnings from services.....after the commencement of the case" are not part of the bankruptcy estate.**

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**business of Winchester Accounting, LLC. See Memorandum to Inform the Discretion of the Trustee dated December 7, 2017.**

**Without intending to waive this objection, employees of WALLC are (1) Michael W. Decker, CPA – owner, certified public accountant, 8/21/2017 to present. (2) Brittany Young – administrative assistant, 8/21/2017 to present.**

14. State with specificity the exact amount in dollars of the accounts receivable of WAC on October 1, 2016, December 31, 2016, January 31, 2017, February 28, 2017 and the Petition Date and describe in detail each account and the amount owed for each period.

**ANSWER:** **October 1: \$17,907.50**  
**December 31: \$15,195.00**  
**January 31: \$16,545.00**  
**February 28: \$20,665.00**  
**March 29: \$47,055.00**

**See documents previously produced as Decker 1408-1411. See documents produced herewith as Decker 2540.**

15. State with specificity the exact amount in dollars of the accounts receivable of WAC on the on the date that WALLC commenced operating its business and describe in detail each account and the amount owed for each period.

**ANSWER: Objection.** In this instance, the purpose of discovery pursuant to Rule 2004 of the Bankruptcy Code is to conduct discovery regarding the value of the Debtor's bankruptcy estate. The Debtor is a certified public accountant who practiced with the S corporation known as Winchester Accounting and Consulting Inc. until August 21, 2017. Pursuant to 11 USC 541(a)(6), the Debtor's post-petition "earnings from services.....after the commencement of the case" are not part of the bankruptcy estate.

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16. State with specificity the exact amount in dollars of the work in progress of WAC on October 1, 2016, December 31, 2016, January 31, 2017, February 28, 2017 and the Petition Date and describe in detail each account and the amount of work in progress for each account for each period.

**ANSWER: None.**

17. State with specificity the exact amount in dollars of the work in progress of WAC on the on the date that WALLC commenced operating its business describe in detail each account and the amount of work in progress for each account for each period.

**ANSWER: None.**

18. State with specificity the method and means by which WAC keeps track of time expended on work to be billed on an hourly basis.

**ANSWER: Not applicable as WAC does not track time nor Bill on an hourly basis.**

19. State with specificity each software application that was used by WAC in the operation of its business.

**ANSWER: Prosystems FX, Lacerte, Bill Quick, Quickbooks, Microsoft Office 2010.**

20. State with specificity each software application that WALLC uses in the operation of its business.

**ANSWER: Objection.** In this instance, the purpose of discovery pursuant to Rule 2004 of the Bankruptcy Code is to conduct discovery regarding the value of the Debtor's bankruptcy estate. The Debtor is a certified public accountant who practiced with the S corporation known as Winchester Accounting and Consulting Inc. until August 21, 2017. Pursuant to 11 USC 541(a)(6), the Debtor's post-petition "earnings from services....after the commencement of the case" are not part of the bankruptcy estate.

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Without intending to waive this objection, WALLC uses Prosystems FX, Lacerte, Bill Quick, Quickbooks, Microsoft Office 2010.

**MICHAEL W. DECKER**  
By Counsel



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James P. Campbell, Esq. (VSB #25097)  
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Leesburg, Virginia 20175  
(703) 771-8344/Telephone  
(703) 777-1485/Facsimile  
*Counsel for the Debtor, Michael W. Decker*

**CERTIFICATE OF SERVICE**

I hereby certify that service of a true copy of the foregoing has been made as follows:

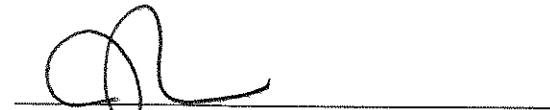
Type of Service: Electronic Mail and First-Class, U.S. Mail

Date of Service: October 29, 2018

Persons served and address: W. Stephen Scott, Esq.  
Post Office Box 1312  
Charlottesville VA 22902

William E. Callahan, Jr.  
LECLAIRRYAN, PLLC  
1800 Wells Fargo Tower, Drawer 1200  
Roanoke, Virginia 24006

Item Served: Michael W. Decker's Answers to Chapter 7 Trustee's  
First Interrogatories



James P. Campbell

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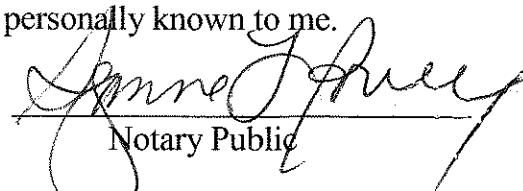
**CERTIFICATION**

To the best of my knowledge, information and belief, the foregoing Answers  
to First Interrogatories are true and accurate.

  
\_\_\_\_\_  
Michael W. Decker

STATE OF VIRGINIA  
COUNTY OF LOUDOUN, to wit:

The foregoing instrument was sworn to and affirmed before me this 29th day of  
October, 2018 by Michael W. Decker who is personally known to me.

  
\_\_\_\_\_  
Suzanne Leigh Powell  
Notary Public  

SUZANNE LEIGH POWELL  
NOTARY PUBLIC  
REG # 195683  
COMMONWEALTH OF VIRGINIA  
MY COMMISSION EXPIRES 2/28/2022